

## **IMPORTANT NOTICE TO OFFERORS**

**Prospective Bidders must attend a mandatory Pre-bid Site inspection of project scheduled for 9:00 AM on September 5, 2003 at the Automotive Management Division, 869-A Punchbowl Street, Honolulu, Hawaii 96813. Refer to SPECIAL PROVISIONS page SP-2, MANDATORY SITE INSPECTION.**

# **NOTICE TO OFFERORS**

**EFFECTIVE July 1, 2003**

**THE STATE PROCUREMENT OFFICE HAS  
DISCONTINUED PLACING PROCUREMENT NOTICES  
IN THE NEWSPAPER**

**FOR CHAPTER 103D, HAWAII REVISED STATUTES, PROCUREMENTS.**

Pursuant to HAWAII ADMINISTRATIVE RULES §3-122-24, Chapter 103D procurement notices  
will be placed on the Internet at:

<http://www2.hawaii.gov/bidapps/>

## NOTICE TO INTERESTED PARTIES

This solicitation is provided to you for information purposes only and is not an official document. If submitted as an offer, the State Procurement Office (SPO) will not accept it as a valid offer. It will be automatically rejected and will not be considered for award.

To obtain an official copy of the solicitation (evidenced by the procurement officer's signature), including any addenda to the document, interested party must contact the SPO, telephone (808) 586-0573; facsimile (808) 586-0570; or by e-mail at [robert.zamarron@hawaii.gov](mailto:robert.zamarron@hawaii.gov). Unless party provides the SPO with its Fedex (or equivalent) account number, the document will be sent by U.S. Postal Service first class mail.



### STATE PROCUREMENT OFFICE

LEGAL AD DATE: August 22, 2003

INVITATION FOR BIDS  
NO. IFB-04-007-0

SEALED OFFERS  
FOR

Furnishing Grill Gate Maintenance and Repair  
For Lot A, Lot I, Lot J, Lot P, Lot S, Lot T, and Lot V,  
Department of Accounting and General Services  
Automotive Management Division

WILL BE RECEIVED UP TO AND OPENED AT 2:00 P.M. (HST) ON  
SEPTEMBER 17, 2003

IN THE STATE PROCUREMENT OFFICE, KALANIMOKU BUILDING, 1151 PUNCHBOWL STREET, ROOM 416, HONOLULU, HAWAII 96813. DIRECT QUESTIONS RELATING TO THIS SOLICITATION TO MR. ALVIN WASHIASHI, TELEPHONE (808) 586-0571, FACSIMILE (808) 586-0570 OR E-MAIL AT [alvin.washiashi@hawaii.gov](mailto:alvin.washiashi@hawaii.gov).

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Robert J. Govers, CPPB  
Procurement Officer

IFB-04-007-0

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Name of Company

7/11/03

Furnishing Grill Gate Maintenance and Repair Services for  
Lot A, Lot I, Lot J, Lot P, Lot S, Lot T and Lot V  
IFB-04-007-O

Procurement Officer  
State Procurement Office  
State of Hawaii  
Honolulu, Hawaii 96813

Dear Sir:

The undersigned has carefully read and understands the terms and conditions specified in the Specifications and Special Provisions attached hereto, and in the General Terms and Conditions dated September 1, 1995 by reference made a part hereof and available upon request; and hereby submits the following offer to perform the work specified herein, all in accordance with the true intent and meaning thereof.

The undersigned further understands and agrees that by submitting this offer, 1) he/she is declaring his/her offer is not in violation of Chapter 84, Hawaii Revised Statutes, concerning prohibited State contracts, and 2) he/she is certifying that the price(s) submitted was (were) independently arrived at without collusion.

Date: \_\_\_\_\_

Respectfully submitted,

Telephone No.: \_\_\_\_\_

Fax No.: \_\_\_\_\_

e-mail Address: \_\_\_\_\_

(X) \_\_\_\_\_  
Authorized Signature (Original)

Payment address, if other than street  
address at right:

\_\_\_\_\_  
Name and Title (Please Type or Print)

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Exact Legal Name of Company

Hawaii General Excise Tax Lic. I.D. No.:

\_\_\_\_\_  
Street Address

\_\_\_\_\_  
Social Security or Federal I.D. No.:  
\_\_\_\_\_

\_\_\_\_\_  
City, State, Zip Code

If offeror shown above is a "dba" or a "division" of a corporation, furnish the exact legal name of the corporation under which the contract, if awarded, will be executed:

\_\_\_\_\_

Offeror is:    \_\_\_\_\_ Individual    \_\_\_\_\_ Partnership    \_\_\_\_\_ Corporation    \_\_\_\_\_ Joint Venture

State of incorporation:    Hawaii \_\_\_\_\_    Other \_\_\_\_\_

The following bid is hereby submitted:

**Group 1 - Lots A, J, and P**

Item No.	Description	Unit Bid Price Per Gate Per Period	No. of Grill Gates	No. of Periods	Total Bid Price
1.	Lot A Maintenance	\$ _____	4 gates	4 qtrs.	\$ _____
2.	Lot J Maintenance	\$ _____	1 gate	12 mos.	\$ _____
3.	Lot P Maintenance	\$ _____	3 gates	4 qtrs.	\$ _____
		<u>Unit Bid Price Per Hour</u>		<u>Est. No. of Hrs.</u>	<u>Total Bid Price</u>
4.	Repair Work *	\$ _____		20 hrs.*	\$ _____*
		<u>Estimated Expenditures</u>		<u>Percentage Markup</u>	
5.	Mark up on Parts and Components *	\$ <u>1,000*</u>		_____ %	\$ _____*

**Group 1 (Items 1 through 5) – Estimated Total Sum Bid** \$                     

**Group 2 - Lots I, S, T, and V**

Item No.	Description	Unit Bid Price Per Gate Per Period	No. of Grill Gates	No. of Periods	Total Bid Price
6.	Lot I Maintenance	\$ _____	1 gate	4 qtrs.	\$ _____
7.	Lot S Maintenance	\$ _____	1 gate	4 qtrs.	\$ _____
8.	Lot T Maintenance	\$ _____	2 gates	12 mos.	\$ _____
9.	Lot V Maintenance	\$ _____	4 gates	4 qtrs.	\$ _____
		<u>Unit Bid Price Per Hour</u>		<u>Est. No. of Hrs.</u>	<u>Total Bid Price</u>
10.	Repair Work *	\$ _____		20 hrs.*	\$ _____*
		<u>Estimated Expenditures</u>		<u>Percentage Markup</u>	
11.	Mark up on Parts and Components *	\$ <u>2,000*</u>		_____ %	\$ _____*

**Group 2 (Items 6 through 11 – Estimated Total Sum Bid** \$                     

\*Items 4, 5, 10 and 11 apply only to situations described in SPECIFICATIONS page S-2, Repair Work. Bid prices per hour and percentages markup are firm, however, total bid prices are estimates for evaluation purposes only. Actual charges to be based on the number of hours performed and Contractor's cost of parts and components.

Offeror \_\_\_\_\_  
Company Name

Offeror shall submit the following information:

Offeror's Permanent Office Address:

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Telephone No. \_\_\_\_\_

Facsimile \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Contact Persons:

**Name/Title**

**Office Phone**

**Cell Phone**

**Pager No.**

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Insurance Coverage:

**Carrier**

**Policy No.**

Commercial General Liability: \_\_\_\_\_

\_\_\_\_\_

Automobile Liability: \_\_\_\_\_

\_\_\_\_\_

Worker's Compensation: \_\_\_\_\_

\_\_\_\_\_

Temporary Disability Insurance: \_\_\_\_\_

\_\_\_\_\_

Prepaid Health Care: \_\_\_\_\_

\_\_\_\_\_

Unemployment Insurance: State of Hawaii Labor No.:

\_\_\_\_\_

If you are not required to have one or more of the above coverage, please explain below or on a separate sheet.

List the names and addresses of companies or government agencies that offeror has provided specified or similar services:

**Name of Organization**

**Name of Contact Person**

**Phone No.**

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Offeror: \_\_\_\_\_  
Company Name

9/19/00

**WAGE CERTIFICATE  
FOR SERVICE CONTRACTS**  
(See Special Provisions)

Subject: IFB No.: IFB-04-007-O

Title of IFB: Furnishing Grill Gate Maintenance and Repair Services for  
Lot A, Lot I, Lot J, Lot P, Lot S, Lot T and Lot V

Pursuant to Section 103-55, Hawaii Revised Statutes (HRS), I hereby certify that if awarded the contract in excess of \$25,000, the services to be performed will be performed under the following conditions:

1. All applicable laws of the federal and state governments relating to workers' compensation, unemployment compensation, payment of wages, and safety will be fully complied with; and
2. The services to be rendered shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work, with the exception of professional, managerial, supervisory, and clerical personnel who are not covered by Section 103-55, HRS.

I understand that failure to comply with the above conditions during the period of the contract shall result in cancellation of the contract, unless such noncompliance is corrected within a reasonable period as determined by the procurement officer. Payment in the final settlement of the contract or the release of bonds, if applicable, or both shall not be made unless the procurement officer has determined that the noncompliance has been corrected; and

I further understand that all payments required by Federal and State laws to be made by employers for the benefit of their employees are to be paid in addition to the base wage required by section 103-55, HRS.

Offeror \_\_\_\_\_

Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

WAGE CERTIFICATE

## **SPECIFICATIONS**

### **Scope of Work**

Contractor shall furnish all labor, materials, equipment, supplies and supervision to provide maintenance services as specified herein at the following locations:

Lot A – Makai Parking Garage, 530 Halekauwila Street  
Pacific Door Co. grill gate; motor manufacturer unknown

Lot I - State Office Tower, 1177 Alakea Street  
Atlas Door Co. grill gate; Atlas Door Co. motor

Lot J - Circuit Court Building, 777 Punchbowl Street \*  
Pacific Door Co. grill gate; Power Master motor

Lot P – Multi-deck Structure, 869-A Punchbowl Street  
Pacific Door Co. grill gate; Lift Master motor

Lot S – State Capitol (Punchbowl Street), 415 South Beretania Street  
Grill gate manufacturer unknown; Cookson Roll Doors

Lot T – District Court Building, 1111 Alakea Street \*  
Grill gate manufacturer unknown; Power Master motor

Lot V – Vineyard Street Garage, 1418 Punchbowl Street  
Pacific Door Co. grill gate; Link motor

\* Secured Building, entry must be coordinated with Parking Control Branch; call 586-1352.

Maintenance of Grill Gates shall include cleaning (removing dirt, grime, grit, and oil) the grill with environmentally acceptable products, lubrication of moving parts and track, lubricate the chain with spray lubricant, lubricate the operator housing bearing, lubricate manual operation shaft, lubricate the limit switch shaft, check safety devices (eyes/bumper/loops), checking components for wear, check limit switch and realign as necessary, advising the CA of options to keep gate motors and parts functioning, correcting electrical irregularities and problems, and assure that controls are operating properly.

All maintenance shall be performed with the manufacturers' requirements and specifications.

All maintenance activity shall be during normal working hours (7:45 AM to 4:30 PM on weekdays except holidays) unless authorized by the Contract Administrator. Contractor shall also provide the CA with a schedule of maintenance services at least one month prior to execution of work.

### **Repair Work**

Contractor shall respond to trouble calls within 24 hours of notification.

All repair work shall be in accordance to the manufacturers' requirements and specifications. It shall be the Contractor's responsibility to obtain each manufacturer's maintenance and repair specifications.

If replacement parts are necessary, the Contractor shall provide, to the CA, the part or component that was replaced.

### **Equipment and Materials**

The Contractor shall provide his personnel with all tools, equipment, materials, and supplies necessary to meet the requirements of this agreement.

### **Contractor's Personnel**

1. The Contractor and his personnel shall employ the most current industry standards in the provision of maintenance services.
2. The Contractor and his personnel shall assure that performance of work shall be in compliance with any applicable laws, ordinances, rules and regulations of all governmental agencies.
3. The Contractor and his personnel shall be trained to use chemical products in accordance to manufacturer's recommendations.
4. The Contractor and his personnel shall protect the users of the parking lot, occupants of the building and the general public from any unsafe conditions or acts during the performance of maintenance and repair services. As such, it may be necessary for the Contractor to employ the use of safety devices such as barricades, cones, or barriers.

### **Contractor's Responsibilities**

1. Prior to the start of any work, the Contractor shall provide the CA with a monthly written schedule indicating the dates services are to be performed, a listing of the work to be performed and the approximate times when services will be rendered. Based upon the operational needs of the parking facility, the CA may disapprove the Contractor's work schedule. In such case, the Contractor shall make the necessary scheduling change(s). Should work not be completed as scheduled, for whatever reason, the Contractor shall reschedule the work and inform the CA of any re-scheduled work. In order to allow the Parking Control Office to send an Officer to the work site to control traffic, the Contractor shall notify the Parking Control Office at (808) 586-0352 of the arrival yime of his crew prior to performing any maintenance or repair service.
2. Contractor shall provide the CA with phone numbers (phone, cell phone, and/or pager number) to reach the Contractor or a capable representative who will be able to respond to emergencies by providing options and implement necessary action to address concerns.
3. The Contractor shall assure that his personnel do not commit acts that may be determined to be sexually harassing or in violation of workplace violence policies.

4. Any damage to property (cars, site amenities, or buildings) resulting from the Contractor's operations shall be immediately restored to original condition. All such work, shall be performed at no additional cost to the State or other property owners.

#### **Non-Conformance to Contract**

1. If any work or quality of work is not in full compliance with these specifications, the Contractor shall make all necessary corrections to the full satisfaction of the CA at no additional cost to the State. The Contractor shall perform corrective work within the period allowed by the CA.
2. The Contractor shall re-execute any work failing to conform to the requirements of this contract. The re-executed work shall be to the satisfaction of the CA.
3. Should the Contractor fail to satisfactorily remedy work or situations deemed by the CA to be non-conforming, the State shall have the right to, in addition to other remedies provided herein, purchase services from a third party and assess the entire cost of said services to the Contractor.

## **SPECIAL PROVISIONS**

### **TERMS AND ACRONYMS USED HEREIN**

Procurement Officer	=	The contracting officer for the State of Hawaii Procurement Office.
State	=	All agencies, including schools, participating in this agreement.
SPO	=	State Procurement Office of the State of Hawaii, located at 1151 Punchbowl Street, Room, 416, Honolulu, Hawaii 96813; P. O. Box 119, Honolulu, Hawaii 96810-0119.
Bidder or Offeror	=	Any individual, partnership, firm, corporation, joint venture, or other entity submitting directly or through a duly authorized representative or agent, a bid for the good, service, or construction contemplated.
CA	=	Contract Administrator or designated representative
HRS	=	Hawaii Revised Statutes
HAR	=	Hawaii Administrative Rules
GTC	=	General Terms and Conditions dated September 1, 1995 and issued by the SPO.
IFB	=	Invitation for Bids
RFP	=	Request for Proposals
GET	=	General Excise Tax
Satisfactorily	=	Quality of work and/or scheduling of work meets the requirements of the Specifications.

### **SCOPE**

The furnishing of Grill Gate maintenance and repair services at designated parking facilities shall be in accordance with these Special Provisions and attached Specifications, and the GTC dated September 1, 1995 included by reference. Copies of the GTC are available at the SPO, the Department of Accounting and General Services District Offices on Hawaii, Maui and Kauai, and under State Bid Notices on the Internet at <http://www2.state.hi.us/bidfiles/spogtqs.pdf>.

### **CA**

For the purpose of this contract, the Automotive Management Division Chief of the Department of Accounting and General Services, or his duly appointed representative is designated CA. The Automotive Management Division Chief's phone number is 586-0343.

### **TERM OF CONTRACT**

The Contractor shall enter into a contract for the twelve (12) month period commencing on October 1, 2003, or the official commencement date specified on the Notice to Proceed.

Unless terminated, contract may be extended for not more than five (5) additional twelve month periods or parts thereof, without re-bidding and upon mutual agreement in writing at least sixty days prior to the contract expiration, provided the contract price for each extended period shall remain the same or lower than the initial bid price or as adjusted in accordance with the CONTRACT PRICE ADJUSTMENT provision herein.

The Contractor or the State may terminate the extended contract at any time upon ninety (90) days prior written notice.

Contractor also understands that extension of the contract beyond the first year is contingent upon the availability of funding.

### OFFEROR QUALIFICATION

To assure the State that the offeror is capable of providing the services required herein, bidder must meet the following:

1. Offeror must have at least two years experience in the installation and maintenance of commercial grill gates and motors.
2. Offeror shall provide the name(s), title(s) and phone numbers of reference(s).

### CERTIFICATION OF INDEPENDENT COST DETERMINATION

By submission of a bid in response to this IFB, bidder certifies as follows:

1. The costs in this IFB have been arrived at independently, without consultation, communication, or agreement with any other bidder, as to any matter relating to such costs for the purpose of restricting competition.
2. Unless otherwise required by law, the cost which have been quoted in this IFB have not been knowingly disclosed by the bidder prior to award, directly or indirectly, to any other bidder or competitor prior to the award of the contract.
3. No other attempt has been made or will be made by the bidder to indicate any other person or firm to submit or not to submit for the purpose of restricting competition.

### MANDATORY SITE INSPECTION

Prior to submittal of an offer, offerors shall be required to attend a **mandatory site inspection** of all locations at the date and time below to familiarize themselves with existing conditions, rules and regulations, and the extent and nature of work to be performed. **No offer shall be accepted without attending the site inspection.** The offeror shall be responsible to confirm his attendance (company name and name of company representative) with the Contract Administrator.

No additional compensation will be made for any reason due to misunderstanding or error regarding existing conditions at the service areas or the amount and kind of services to be performed.

Site visitations are scheduled as follows:

September 5, 2003                      9:00 am (HST)                      All lots.

Interested offerors are to meet at Department of Accounting and General Services Automotive Management Division located at 869-A Punchbowl Street.

Offerors may submit questions or concerns in writing or facsimile regarding this solicitation to:

State Procurement Office  
1151 Punchbowl Street Room 416  
Honolulu, Hawaii 96813  
Attention: Alvin Washiashi  
Phone: (808) 586-0571  
Facsimile: (808) 586-0570

Replies to questions and/or concerns will be recognized as official only if the Offeror submits the questions in writing or facsimile by September 10, 2003 and such questions and answers are made a part of the IFB by written addendum. Offerors are specifically cautioned that verbal discussions, questions and replies thereto, shall not have the effect of changing the provisions of the written IFB. Responses to written questions shall be addressed in addendum issued prior to bid opening date.

Submission of bid shall be evidence that the bidder understands the scope of the project and shall comply with these specifications if awarded the contract.

## **BID PREPARATION**

**Offer Form, Page OF-1.** Offeror is requested to submit its offer using Offeror's exact legal name as registered with the Department of Commerce and Consumer Affairs, if applicable; and to indicate exact legal name in the appropriate space on Offer Form, page OF-1. Failure to do so may delay proper execution of the contract.

The authorized signature on the first page of the Offer Form shall be an original signature in ink. If unsigned or the affixed signature is a facsimile or a photocopy, the offer shall be automatically rejected unless accompanied by other material, containing an original signature, indicating the Offeror's intent to be bound.

**Bid Quotation.** Bid prices shall include all applicable taxes, labor, materials, parts, freight and transportation charges, and any cost incurred to complete the required work.

**Tax Liability.** Work to be performed under this solicitation is a business activity taxable under Chapter 237, HRS, and vendors are advised that they are liable for the Hawaii General Excise tax (GET) at the current 4% rate. If, however, an Offeror is a person exempt by the HRS from paying the GET and therefore not liable for the taxes on this solicitation, Offeror shall state its tax exempt status and cite the HRS chapter or section allowing the exemption.

**Taxpayer Preference.** For evaluation purposes, pursuant to §103D-1008, HRS, the Bidder's tax-exempt price offer submitted in response to an IFB shall be increased by the applicable retail rate of general excise tax and the applicable use tax. Under no circumstance shall the dollar amount of the award include the aforementioned adjustment.

**Hawaii General Excise Tax License.** In accordance with Section 3.1A of the GTC, Offeror shall submit his current Hawaii GET I.D. number in the space provided on Offer Form, page OF-1, thereby attesting that he is doing business in the State and that he will pay such taxes on all sales made to the State.

**Tax Clearance.** Pursuant to §103D-328, HRS, successful Offeror shall be required to submit a tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS).

**To facilitate this requirement, Offeror is urged to submit a valid tax clearance certificate together with the offer.** However, if this is not feasible, the certificate should be applied for at DOTAX or the IRS and submitted to the SPO as soon as possible. If a valid certificate is not submitted on a timely basis prior to award of the contract, an offer otherwise responsive and responsible may be rejected and not considered for award.

The certificate is valid for six months from the most recent approval stamp date on the certificate. The certificate must be valid on the date it is received by the SPO.

The tax clearance certificate shall be obtained on the State of Hawaii, DOTAX *TAX CLEARANCE APPLICATION* Form A-6 (rev. 1998) which is available at the DOTAX and IRS offices in the State of Hawaii or the DOTAX website, and by mail or fax:

DOTAX Website (Forms & Information): <http://www.state.hi.us/tax/tax.html>

DOTAX Forms by Mail: (808) 587-7572  
1-800-222-7572

DOTAX Forms by Fax: (on Oahu) (808) 587-7572  
(outside Oahu) (808) 678-0522

Completed tax clearance applications may be mailed to one of the district tax offices listed on the application or faxed to one of the following numbers:

IRS:		(808) 541-1976
DOTAX:	Oahu	(808) 587-1720 or (808) 587-1488
	Maui	(808) 984-8522
	Kauai	(808) 274-3461
	Hawaii	(808) 974-6300

(If mailed, out-of-state offerors should send their application to DOTAX Oahu District Office.)

**NOTE:** Contractor is required to submit a tax clearance certificate for final payment on the contract. Refer to INVOICING of these special provisions.

**Insurance.** Bidder shall provide insurance information as requested on the appropriate Offer Form page.

**References.** Bidders shall indicate on the appropriate page at least two companies and/or government agencies to whom he has provided maintenance services. The State reserves the right to contact those listed to ascertain quality and timeliness of services provided.

**Offer Guaranty.** A BID SECURITY DEPOSIT IS NOT REQUIRED FOR THIS BID.

**Wage certificate.** Refer to Section 2.8 of the GTC. The Offeror shall complete and submit a Wage Certificate by which the Offeror certifies that services required will be performed pursuant to §103-55, HRS. Offeror is advised that although item 2 of the Wage Certificate is not applicable to this solicitation since there are no public sector employees performing work similar to the requirements herein, item 1 of the certificate applies and therefore submission of the Wage Certificate is required.

The CA reserves the right to conduct investigation(s) to ensure compliance with §103-55. To that end, the Contractor shall provide full cooperation to the person(s) investigating compliance to the wage requirement by providing payroll records, worker time sheets, the methods used to determine worker compensation and other requested documents deemed relevant to determine compliance with laws and rules within seven calendar days from receipt of the CA's written request for such information.

Accordingly, offeror must consider the wage rates when preparing his/her quote.

## **SUBMISSION OF OFFER**

Offers shall be received at the SPO, 1151 Punchbowl Street, Kalanimoku Building, Room 416, Honolulu, Hawaii 96813, no later than the date and time stated on the cover page of the IFB. Timely receipt of offers shall be evidenced by the date and time registered by the SPO time stamp clock. Offers received after the deadline shall be returned unopened.

If the Offeror chooses to deliver its offer by United States Postal Service (USPS), please be aware that the USPS does not deliver directly to Room 416. This may cause a delay in receipt by the SPO and the offer may reach the SPO after the deadline, resulting in automatic rejection.

## **CONTRACT PRICE INCREASES**

The Contractor may request a contract price increase after the initial contract period. If mutually agreed upon, contract price increases shall not exceed annual increases in the Consumer Price Index-Urban for Honolulu, Hawaii, not seasonally adjusted with a Base Period of 1982-84 =100 under the Commodity and Service Group (CPI-U). The 2002 Annual CPI-U for Honolulu base index of 180.3 shall be used as the baseline for a price increase, if any, for the first contract extension period. If the applicable CPI-U decreases, no increase will be allowed and the contract price shall remain the same.

Request for price increases for the maintenance and repair work shall be submitted in writing to the CA , on an annual basis, sixty (60) days prior to the expiration of each contract period and if approved shall become effective at the start of the next extended contract period.

Prices for each extension period shall remain fixed for that extension period. Contract price increases, if any, shall be as follow:

<u>Contract Period</u>	<u>CPI-U</u>	Price change Effective Date <u>If Applicable</u>
10/01/03-09/30/04	180.3 (2002 Annual Index)	No price change

10/01/04-09/30/05 (1 <sup>st</sup> Extension)	Percentage increase between the 2002 Annual Index of <u>180.3</u> and 2003 Annual Index	10/01/04
10/01/05-09/30/06 (2 <sup>nd</sup> Extension)	Percentage increase between 2003 Annual Index and 2004 Annual Index	10/01/05
10/01/06-09/30/07 (3rd Extension)	Percentage increase between 2004 Annual Index and 2005 Annual Index	10/01/06
10/01/07-09/30/08 (4th Extension)	Percentage increase between 2005 Annual Index and 2006 Annual Index	10/01/07
10/01/08-09/30/09 (5th Extension)	Percentage increase between 2006 Annual Index and 2007 Annual Index	10/01/08

Upon receiving approval by the CA and Procurement Officer, the increase shall be reflected in either a contract modification or in the supplemental agreement issued for any extended period of the initial contract by the SPO.

## **METHOD OF AWARD**

Award(s), if any, shall be made on an individual group basis, to the responsive, responsible bidder submitting the lowest TOTAL SUM BID per group. Offeror need not submit an offer for both groups, however offeror must bid on all items within a group to be considered for an award of the group.

Prior to awarding contract, the State will require certification of the following insurance coverages:

Worker's Compensation  
Temporary Disability  
Unemployment Insurance  
Prepaid Health Care

Act 52, SLH 2003, amended §103D-310, HRS, by adding subsection (c) which, in part, follows:

"(c) All offerors, upon award of contract, shall comply with all laws governing entities doing business in the State, including chapters 237, 383, 386, 392, and 393, and shall:

- (1) Be incorporated or organized under the laws of the State; or
- (2) Be registered to do business in the State as a separate branch or division that is capable of fully performing under the contract."

At the release of this solicitation, implementation of the law is pending guidance from the Departments of Labor and Industrial Relations and Commerce and Consumer Affairs. Should guidance be received and implemented prior to award of this contract, the prospective awardee will be required to comply.

## **ACCEPTANCE OF OFFER**

Acceptance of Offeror, if any, will be made within sixty (60) calendar days after the opening of Offerors, and the prices quoted by the Offeror shall remain firm for the sixty day period as provided for in the GTC.

## **CONTRACT EXECUTION**

Successful bidder shall be required to enter into a formal written contract. Contract security shall not be required for this contract.

No work to be undertaken by the Contractor prior to the official start date specified on the Notice to Proceed. The State of Hawaii is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Contractor prior to official starting date.

If the option to extend for each additional twelve-month period is mutually agreed upon, Contractor shall be required to execute a supplement to the contract for each extension period. The Contractor or the State may terminate the extended contract upon ninety (90) days written notice.

## **NOTICE TO PROCEED**

Work will commence on the official commencement date specified on the Notice to Proceed.

No work is to be undertaken by the Contractor prior to the official commencement date on the Notice to Proceed. The State is not liable for any work, contract, costs, expenses, loss of profits, or any damage whatsoever incurred by the contractor prior to the work start date.

## **RE-EXECUTION OF WORK**

The Contractor shall re-execute any work that fails to conform to the requirements of the contract that appears during the course of the work and shall immediately remedy any defects due to faulty workmanship by the Contractor.

Should the Contractor fail to comply, the State reserves the right to engage the services of another company to perform the services and to deduct such costs from monies due to the Contractor.

## LIABILITY INSURANCE

The Contractor shall maintain in full force and effect during the life of this contract, liability and property damage insurance to protect the Contractor and his subcontractors, if any, from claims for damages for personal injury, accidental death and property damage which may arise from operations under this contract, whether such operations be by himself or by an subcontractor or anyone directly or indirectly employed by either of them. If any subcontractor is involved in the performance of the contract, the insurance policy or policies shall name the subcontractor as additional insured.

As an alternative to the Contractor providing insurance to cover operations performed by a subcontractor and naming the subcontractor as additional insured, Contractor may require subcontractor to provide its own insurance which meets the requirements herein. It is understood that a subcontractor's insurance policy or policies are in addition to the Contractor's own policy or policies.

The following minimum insurance coverage(s) and limit(s) shall be provided by the Contractor, including its subcontractor(s) where appropriate.

<b><u>Coverage</u></b>	<b><u>Limits</u></b>
Commercial General Liability (occurrence form)	\$500,000 combined single limit per occurrence for bodily injury and property damage

Each insurance policy required by this contract, including a subcontractor's policy, shall contain the following clauses:

1. "This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Department of Accounting and General Services, State Procurement Office, P. O. Box 119, Honolulu, Hawaii 96810-0119."
2. "The State of Hawaii is added as an additional insured as respects to operations performed for the State of Hawaii."
3. "It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy."

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the contract, including supplemental agreements.

Upon Contractor's execution of the contract, the Contractor agrees to deposit with the State of Hawaii certificate(s) of insurance necessary to satisfy the State that the insurance provisions of this contract have been complied with and to keep such insurance in effect and the certificate(s) therefor on deposit with the State during the entire term of this contract, including those of its subcontractor(s), where appropriate. Upon request by the State, Contractor shall be responsible for furnishing a copy of the policy or policies.

Failure of the Contractor to provide and keep in force such insurance shall be regarded as material default under this contract, entitling the State to exercise any or all of the remedies provided in this contract for a default of the Contractor.

The procuring of such required insurance shall not be construed to limit Contractor's liability hereunder nor to fulfill the indemnification provisions and requirements of this contract. Notwithstanding said policy or policies of insurance, Contractor shall be obliged for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this contract.

## **INVOICING**

Original and three (3) copies of the invoice shall be submitted monthly to:

Department of Accounting and General Services  
Automotive Management Division  
P.O. Box 119  
Honolulu, Hawaii 96810

Attention: AMD Chief

Each invoice shall reference the contract number (or applicable purchase order number).

A tax clearance certificate, not over two months old, with an original green certified copy stamp, must accompany the invoice for final payment on the contract.

## **PAYMENT**

Section 103-10, HRS, provides that the State shall have thirty (30) calendar days after receipt of invoice or satisfactory completion of contract to make payment. For this reason, the State will reject any bid submitted with a condition requiring payment within a shorter period. Further, the State will reject any bid submitted with a condition requiring interest payments greater than that allowed by §103-10, HRS, as amended.

The State will not recognize any requirement established by the Contractor and communicated to the State after award of the contract, which requires payment within a shorter period or interest payment not in conformance with statute.

## **LIQUIDATED DAMAGES**

In addition to application of rights and remedies, the State shall apply liquidated damages in the amount of \$50 per violation of the specifications and/or Special Provisions.

## **RIGHTS AND REMEDIES FOR DEFAULT**

In the event the Contractor fails, refuses, or neglects to perform the services in accordance with the requirements of these Special Provisions, the Specifications, and GTC herein, in addition to the recourse stated in Section 6.11 and 6.17 of the GTC, the State reserves the right to purchase in the open market, a corresponding quantity of the services specified herein and to deduct from any moneys due or that may thereafter become due the Contractor, the difference between the price named in the contract and the actual cost thereof to the State. In case any money due the Contractor is insufficient for said purpose, the Contractor shall pay the difference upon demand by the State. The State may also utilize all other remedies provided by law.

## **PROTEST**

A protest based upon the content of the solicitation shall be submitted in writing within five (5) working days after the aggrieved persons knows or should have known of the facts giving rise thereto; provided further that the protest shall not be considered unless it is submitted in writing prior to the bid opening date.

A protest of an award or proposed award shall be submitted within five (5) working days after the posting of award of the contract. The notice of award letter(s), if any, resulting from this solicitation shall be posted on the bulletin board between room 416 and room 420, 1151 Punchbowl Street, Honolulu, Hawaii 96813.

Any protest pursuant to §103D-701, HRS, and Section 3-126-3, HAR, shall be submitted in writing to the Procurement Officer, SPO, 1151 Punchbowl Street, Room 416, Honolulu, Hawaii 96813 or P. O. Box 119, Honolulu, Hawaii 96810-0119.

## **ADDITIONS, AMENDMENTS AND CLARIFICATIONS TO THE GTC**

### **Additions to the GTC:**

**Approvals.** Any agreement arising out of this offer may be subject to the approval of the Department of the Attorney General as to form, and is subject to all further approvals, including the approval of the Governor, required by statute, regulation, rule, order, or other directive.

**Cancellation of Solicitations and Rejection of Offers.** The solicitation may be cancelled or the offers may be rejected, in whole or in part, when in the best interest of the purchasing agency, as provided in §§3-122-95 through 3-122-97, HAR.

**Confidentiality of Material.** All material given to or made available to the Contractor by virtue of this contract, which is identified as proprietary or confidential information, will be safeguarded by the CONTRACTOR and shall not be disclosed to any individual or organization without the prior written approval of the STATE.

All information, data, or other material provided by the Offeror or the Contractor to the State shall be subject to the Uniform Information Practices Act, chapter 92F, HRS. The Offeror shall designate in writing to the Procurement Officer those portions of its unpriced offer or any subsequent submittal that are trade secrets or other proprietary data that the Offeror desires to remain confidential, subject to §3-122-58, HAR, in the case of an RFP, or §3-122-30, HAR, in the case of an IFB. The Offeror shall state in its written communication to the Procurement Officer, the reason(s) for designating the material as confidential, for example, trade secrets. The Offeror shall submit the material designated as confidential in such manner that the material is readily separable from the offer in order to facilitate inspection of the non-confidential portion of the offer.

Price is not confidential and will not be withheld. In addition, in the case of an IFB, makes and models, catalogue numbers of items offered, deliveries, and terms of payment shall be publicly available at the time of opening regardless of any designation to the contrary.

If a request is made to inspect the confidential material, the inspection shall be subject to written determination by the Office of the Attorney General in accordance with chapter 92F, HRS. If it is determined that the material designated as confidential is subject to disclosure, the material shall be open to public inspection, unless the Offeror protests under chapter 3-126, HAR. If the

request to inspect the confidential material is denied, the decision may be appealed to the Office of Information Practices in accordance with §92F-15.5, HRS.

**Nondiscrimination.** No person performing work under this Agreement, including any subcontractor, employee, or agency of the Contractor, shall engage in any discrimination that is prohibited by any applicable federal, state, or county law.

**Records Retention.** The Contractor and any subcontractors shall maintain the books and records that relate to the Agreement and any cost or pricing data for three (3) years from the date of final payment under the Agreement.

**Correctional Industries.** Goods and services available through Correctional Industries (CI) programs may be the same or similar to those awarded by competitive sealed bids or proposals. Agencies participating in SPO requirements (price list) contracts may also procure directly from CI and shall not be considered in violation of the terms and conditions of any SPO contract.

**Year 2000 Compliance.** All appropriate hardware, software, and systems utilized for the work specified herein shall be year 2000 compliant.

#### **Amendments to the GTC:**

**Subsection 2.1 Competency of Offeror.** Paragraph one is rescinded and replaced with the following:

"Prospective Offeror must be capable of performing the work for which offers are being called. Either before or after the deadline for an offer, the purchasing agency may require Offeror to submit answers to questions regarding facilities, equipment, experience, personnel, financial status or any other factors relating to the ability of the Offeror to furnish satisfactorily the goods or services being solicited by the STATE. Any such inquiries shall be made and replied to in writing; replies shall be submitted over the signatures of the person who signs the offer. Any Offeror who refuses to answer such inquiries will be considered non-responsive."

**Subsection 2.5 Preparation of Offer.** Paragraph four is rescinded and replaced with the following:

"An Offeror may submit only one offer in response to a solicitation. If an Offeror submits more than one offer in response to a solicitation, then all such offers shall be rejected. Similarly, an Offeror may submit only one offer for each line item (if any) of a solicitation. If an Offeror submits more than one offer per line item, then all offers for that line item shall be rejected."

**Subsection 3.1(B) Preference for Hawaii Products.** GTC §3.1(B), paragraphs one and two only are rescinded and replaced with the following: "A purchasing agency shall review all specifications in a bid or proposal for purchase from the Hawaii products (HP) list where these products are available; provided that the products: Meet the minimum specifications and the selling price f.o.b. jobsite; unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price in Hawaii f.o.b. jobsite; and unloaded, including applicable general excise tax and use tax, does not exceed the lowest delivered price of a similar non-HP by more than: three per cent where class I HP are involved; five per cent where class II HP are involved; or ten per cent where class III HP are involved.

All persons submitting bids or proposals to claim HP preference shall designate in their bids which individual product and its price is to be supplied as a HP.

Where a bid or proposal contains both Hawaii and non-HP, then for the purpose of selecting the lowest bid or purchase price only, the price bid or offered for a HP item shall be decreased by subtracting therefrom: three per cent, five per cent, or ten per cent for the class I, class II, or class III HP items bid or offered, respectively. The lowest total bid or proposal, taking the preference into consideration, shall be awarded the contract unless the bid or offer provides for additional award criteria. The contract amount of any contract awarded, however, shall be the amount of the bid or price offered, exclusive of the preferences."

**Subsection 3.1(C) Printing Preference.** GTC §3.1(C), paragraphs one and two are rescinded and replaced with the following: "All bids or proposals submitted for a printing, binding, or stationery contract in which all work will be performed in-state, including all preparatory work, presswork, bindery work, and any other production-related work shall receive a fifteen per cent preference for purposes of bid or proposal evaluation.

Where bids or proposals are for work performed in-state and out-of-state, then for the purpose of selecting the lowest bid or evaluating proposals submitted only, the amount bid or proposed for work performed out-of-state shall be increased by fifteen per cent. The lowest total offer, taking the preference into consideration, shall be awarded the contract unless the solicitation provides for additional award criteria. The contract amount awarded, however, shall be the amount of the price offered, exclusive of the preference.

**Clarifications to the GTC:**

**Subsection 2.8 Certification of Offeror Concerning Wages, Hours and Working Conditions of Employees Supplying Services.** Section 103-55, HRS, amended by Act 149, SLH 1999, now applies to service contracts in excess of \$25,000 and also excludes professional personnel.

**GTCs Not Applicable.** Subsections 2.11 and 2.14 of the GTC that apply specifically to the RFP method of source selection are not applicable to IFBs. Also subsections 2.10 and 2.13 that apply specifically to the IFB method of source selection are not applicable to RFPs.